

**SENATE**  
**STATE OF MINNESOTA**  
**EIGHTY-NINTH SESSION**

**S.F. No. 1919**

(SENATE AUTHORS: DZIEDZIC, Bakk, Metzen, Hann and Reinert)

DATE	D-PG	OFFICIAL STATUS
03/19/2015	1052	Introduction and first reading Referred to Commerce
03/23/2015	1224	Author stricken Gazelka Author added Reinert See SF1238, Art. 2, Sec. 2-3

1.1 A bill for an act  
 1.2 relating to liquor; allowing growlers to be sold at off-sale on Sundays; requiring  
 1.3 a report to the commissioner of revenue; amending Minnesota Statutes 2014,  
 1.4 section 340A.301, subdivisions 6d, 7.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2014, section 340A.301, subdivision 6d, is amended to  
 1.7 read:

1.8 Subd. 6d. **Small brewer license.** (a) A brewer licensed under subdivision 6, clause  
 1.9 (c), (i), or (j), may be issued a license by a municipality for off-sale of malt liquor at its  
 1.10 licensed premises that has been produced and packaged by the brewer. The license must  
 1.11 be approved by the commissioner. The amount of malt liquor sold at off-sale may not  
 1.12 exceed 500 barrels annually. Off-sale of malt liquor shall be limited to the legal hours for  
 1.13 off-sale at exclusive liquor stores in the jurisdiction in which the brewer is located, and the  
 1.14 malt liquor sold off-sale must be removed from the premises before the applicable off-sale  
 1.15 closing time at exclusive liquor stores, except that malt liquor in growlers only may be sold  
 1.16 at off-sale on Sundays. Sunday sales must be approved by the licensing jurisdiction and  
 1.17 hours may be established by those jurisdictions. Growlers sold on Sundays must be filled at  
 1.18 the time of sale. The malt liquor shall be packed in 64-ounce containers commonly known  
 1.19 as "growlers" or in 750 milliliter bottles. The containers or bottles shall bear a twist-type  
 1.20 closure, cork, stopper, or plug. At the time of the sale, a paper or plastic adhesive band,  
 1.21 strip, or sleeve shall be applied to the container or bottle and extended over the top of the  
 1.22 twist-type closure, cork, stopper, or plug forming a seal that must be broken upon opening  
 1.23 of the container or bottle. The adhesive band, strip, or sleeve shall bear the name and  
 1.24 address of the brewer. The containers or bottles shall be identified as malt liquor, contain

2.1 the name of the malt liquor, bear the name and address of the brewer selling the malt  
2.2 liquor, and shall be considered intoxicating liquor unless the alcoholic content is labeled  
2.3 as otherwise in accordance with the provisions of Minnesota Rules, part 7515.1100.

2.4 (b) A brewer may, but is not required to, refill any growler with malt liquor for  
2.5 off-sale at the request of a customer. A brewer refilling a growler must do so at its licensed  
2.6 premises and the growler must be filled at the tap at the time of sale. A growler refilled  
2.7 under this paragraph must be sealed and labeled in the manner described in paragraph (a).

2.8 (c) A brewer may only have one license under this subdivision.

2.9 (d) A municipality may not issue a license under this subdivision to a brewer if the  
2.10 brewer seeking the license, or any person having an economic interest in the brewer  
2.11 seeking the license or exercising control over the brewer seeking the license, is a brewer  
2.12 that brews more than 20,000 barrels of its own brands of malt liquor annually or a winery  
2.13 that produces more than 250,000 gallons of wine annually.

2.14 (e) The municipality shall impose a licensing fee on a brewer holding a license  
2.15 under this subdivision, subject to limitations applicable to license fees under section  
2.16 340A.408, subdivision 3, paragraph (a).

2.17 (f) A brewer shall file a quarterly report with the commissioner of revenue specifying  
2.18 the total amount of malt liquor sold at off-sale.

2.19 **EFFECTIVE DATE.** This section is effective the day following final enactment.

2.20 Sec. 2. Minnesota Statutes 2014, section 340A.301, subdivision 7, is amended to read:

2.21 Subd. 7. **Interest in other business.** (a) Except as provided in this subdivision,  
2.22 a holder of a license as a manufacturer, brewer, importer, or wholesaler may not have  
2.23 any ownership, in whole or in part, in a business holding a retail intoxicating liquor or  
2.24 3.2 percent malt liquor license. The commissioner may not issue a license under this  
2.25 section to a manufacturer, brewer, importer, or wholesaler if a retailer of intoxicating  
2.26 liquor has a direct or indirect interest in the manufacturer, brewer, importer, or wholesaler.  
2.27 A manufacturer or wholesaler of intoxicating liquor may use or have property rented  
2.28 for retail intoxicating liquor sales only if the manufacturer or wholesaler has owned the  
2.29 property continuously since November 1, 1933. A retailer of intoxicating liquor may not  
2.30 use or have property rented for the manufacture or wholesaling of intoxicating liquor.

2.31 (b) A brewer licensed under subdivision 6, clause (d), may be issued an on-sale  
2.32 intoxicating liquor or 3.2 percent malt liquor license by a municipality for a restaurant  
2.33 operated in the place of manufacture. Notwithstanding section 340A.405, a brewer who  
2.34 holds an on-sale license issued pursuant to this paragraph may, with the approval of the  
2.35 commissioner, be issued a license by a municipality for off-sale of malt liquor produced

3.1 and packaged on the licensed premises. Off-sale of malt liquor shall be limited to the  
3.2 legal hours for off-sale at exclusive liquor stores in the jurisdiction in which the brewer  
3.3 is located, and the malt liquor sold off-sale must be removed from the premises before  
3.4 the applicable off-sale closing time at exclusive liquor stores, except that malt liquor in  
3.5 growlers only may be sold at off-sale on Sundays. Sunday sales must be approved by the  
3.6 licensing jurisdiction and hours may be established by those jurisdictions. Growlers sold  
3.7 on Sundays must be filled at the time of sale. The malt liquor shall be packaged in 64-ounce  
3.8 containers commonly known as "growlers" or in 750 milliliter bottles. The containers or  
3.9 bottles shall bear a twist-type closure, cork, stopper, or plug. At the time of the sale, a  
3.10 paper or plastic adhesive band, strip, or sleeve shall be applied to the container or bottle  
3.11 and extend over the top of the twist-type closure, cork, stopper, or plug forming a seal that  
3.12 must be broken upon opening of the container or bottle. The adhesive band, strip, or sleeve  
3.13 shall bear the name and address of the brewer. The containers or bottles shall be identified  
3.14 as malt liquor, contain the name of the malt liquor, bear the name and address of the brewer  
3.15 selling the malt liquor, and shall be considered intoxicating liquor unless the alcoholic  
3.16 content is labeled as otherwise in accordance with the provisions of Minnesota Rules, part  
3.17 7515.1100. A brewer may, but is not required to, refill any growler with malt liquor for  
3.18 off-sale at the request of a customer. A brewer refilling a growler must do so at its licensed  
3.19 premises and the growler must be filled at the tap at the time of sale. A growler refilled  
3.20 under this paragraph must be sealed and labeled in the manner described in this paragraph.  
3.21 A brewer's total retail sales at on- or off-sale under this paragraph may not exceed 3,500  
3.22 barrels per year, provided that off-sales may not total more than 500 barrels. A brewer shall  
3.23 file a quarterly report with the commissioner of revenue specifying the total amount of malt  
3.24 liquor sold at off-sale. A brewer licensed under subdivision 6, clause (d), may hold or have  
3.25 an interest in other retail on-sale licenses, but may not have an ownership interest in whole  
3.26 or in part, or be an officer, director, agent, or employee of, any other manufacturer, brewer,  
3.27 importer, or wholesaler, or be an affiliate thereof whether the affiliation is corporate or by  
3.28 management, direction, or control. Notwithstanding this prohibition, a brewer licensed  
3.29 under subdivision 6, clause (d), may be an affiliate or subsidiary company of a brewer  
3.30 licensed in Minnesota or elsewhere if that brewer's only manufacture of malt liquor is:  
3.31 (i) manufacture licensed under subdivision 6, clause (d);  
3.32 (ii) manufacture in another state for consumption exclusively in a restaurant located  
3.33 in the place of manufacture; or  
3.34 (iii) manufacture in another state for consumption primarily in a restaurant located  
3.35 in or immediately adjacent to the place of manufacture if the brewer was licensed under  
3.36 subdivision 6, clause (d), on January 1, 1995.

4.1 (c) Except as provided in subdivision 7a, no brewer as defined in subdivision 7a or  
4.2 importer may have any interest, in whole or in part, directly or indirectly, in the license,  
4.3 business, assets, or corporate stock of a licensed malt liquor wholesaler.

4.4 **EFFECTIVE DATE.** This section is effective the day following final enactment.